Supreme Court U.S.
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IN THE OFFICE OF THE CLERK

Supreme Court of the United States

STAR INDUSTRIES, INC.,

Petitioner,

v.

BACARDI & COMPANY LIMITED and BACARDI U.S.A., INC. and ANHEUSER-BUSCH, INC.,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

PETITION FOR A WRIT OF CERTIORARI

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QUESTIONS PRESENTED

1. Should the Supreme Court reverse the Court of Appeals' finding that in order to prove bad faith as part of a confusion analysis in a trademark infringement case in the Second Circuit, a trademark holder must prove deliberate intent to copy a trademark, where there was clear evidence at the trial in the instant action that Respondents performed an inadequate trademark search and acted in reckless or willful disregard of Petitioner's trademark rights, and where there is a split in the Circuits on this issue, with the Third and other Circuits holding that a small senior trademark user need only prove that a large junior user acted in willful or reckless disregard of the senior user's trademark rights in order to support a finding of bad faith?

2. Should the Supreme Court reverse the Court of Appeals' findings in favor of Respondents on the confusion factors of similarity of the marks and actual confusion, where the Court of Appeals applied a clear error test in reviewing the findings of the District Court on these factors, notwithstanding the Court of Appeals' holding that the District Court had performed the wrong confusion analysis altogether, so that the Court of Appeals should have made *de novo* findings of fact as to these two confusion factors?

PARTIES TO THE PROCEEDING

The parties to this proceeding are:

1. Petitioner Star Industries, Inc.

2. Respondents Bacardi & Company Limited and Bacardi U.S.A., Inc.

3. Respondent Anheuser-Busch, Inc.

STATEMENT PURSUANT TO RULE 29.6

Petitioner, Star Industries, Inc., has no parent corporation and no publicly held company owns 10% or more of its stock.

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Petitioner Star Industries, Inc. ("Star") respectfully petitions for a writ of certiorari to review the judgment of the United States Court of Appeals for the Second Circuit (the "Court of Appeals"), entered in this case on June 22, 2005, which affirmed in part and reversed in part the judgment of the United States District Court for the Southern District of New York (the "District Court") denying Star's request for injunctive relief, an accounting of profits and an award of reasonable attorney's fees for trademark infringement.

OPINIONS BELOW

The opinion of the Court of Appeals is reported at 412 F.3d 373 (2d Cir. 2005). The decision of the District Court entering judgment for Respondents following a bench trial is reported at 2003 WL 23109750 (S.D.N.Y. Dec. 31, 2003). These opinions are reprinted in the appendix.

JURISDICTION

The opinion of the Court of Appeals affirming the judgment of the District Court was entered on June 22, 2005. (1a-28a).[1] A timely petition for rehearing and for rehearing en banc of the Court of Appeals' opinion was denied on September 14, 2005. (58a-59a). The jurisdiction of this Court is invoked under 28 U.S.C. § 1254(1).

1. References to the appendix are in the form of "__a."

STATEMENT OF THE CASE

In its complaint, Star, a small regional (New York-based) supplier of alcoholic beverage products, alleged that the use by Respondents Bacardi & Co. Ltd. and Bacardi U.S.A., Inc. (collectively "Bacardi") and Anheuser-Busch, Inc. ("Anheuser-Busch") of a stylized "O" design mark on Bacardi's BACARDI "O" orange-flavored rum product, and on Anheuser-Busch's BACARDI SILVER "O^3" orange-flavored malt beverage product, infringed a nearly identical stylized "O" design mark that Star had been using on its GEORGI "O" orange-flavored vodka product since 1996. (2a-6a). Among other things, Star alleged not that consumers would mistake Star's product for either of the Respondents' products (sometimes called direct confusion), but that consumers would believe, because of the close similarity of the "O" designs, that all of the products were associated with each other, that is, all were put out or were spo ored or authorized by the same entity (sometimes called association confusion). (11a-12a). Following a bench trial, the District Court denied Star's claims for relief in their entirety, holding that Star's "O" design was not protectable as a trademark, as it was not separable from other graphic matter appearing on the label of Star's GEORGI "O" vodka, and was not inherently distinctive, and further found, applying a direct confusion test, that Star's label design as a whole (as opposed to the "O" design by itself) was not likely to be confused with Respondents' label designs. (29a-49a).

The Court of Appeals reversed the District Court in part, holding that the District Court had erred by, *inter alia*, finding that Star's "O" design was not protectable as a trademark, and had also erred by applying a direct confusion test rather than an association confusion test. (7a-12a). However, the